

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
LEGISLATIVE COMMITTEE**

**MINUTES
MEETING OF MARCH 10, 2005**

At 5:04 p.m. Chairman Lee Panza called the meeting to order in the Fourth Floor Dining Room at the San Mateo Transit District Office.

Members Attending: Chairman Lee Panza, Deborah Gordon, Marc Hershman, Joe Silva, Jim Vreeland, and Deborah Wilder.

Staff/ Guests Attending: Mary McMillan (County Manager's Office), David Burruto (Speaker Pro Tem Leland Yee's Office), Brian Moura (City of San Carlos), Walter Martone (C/CAG Staff), Jessica Stanfill (Assemblyman Mullin's Office), and Jerry Grace.

1. Public comment on items not on the agenda.

- None.

2. Minutes of the Meeting of January 13, 2004.

*Motion: To approve the minutes of February 10, 2005 as presented.
Wilder/Hershman, unanimous.*

3. Update from C/CAG's Lobbyist in Sacramento (via conference call).

Wes Lujan reported:

- The Governor has personally come out in support of ACA 13 that will ask the voters to exempt flood control and stormwater pollution prevention programs from the two-thirds voting requirement under Proposition 213.
- Important bills that have been introduced in the 2005 Legislature include parks and infrastructure bonds, attempts to compromise local government authority over housing, land use, and density issues.
- The Governor has identified pension reform, education reform, and redistricting reform as his main causes for this year. He has presented these items as a challenge to the Legislature and is preparing to do battle.
- Senator Perata held a press conference and announced that Senator Sheila Kuehl has introduced SB 820 that would make urban water management plans subject to CEQA (currently they are exempt). Senator Perata wanted to show that the Senate leadership is doing something proactive on environmental issues.
- Update on the financing of the Bay Bridge – Senator Perata may be proposing a bond measure to raise funds; one of the Indian Tribes is considering providing some funding in return for favorable consideration of a gaming compact; the Legislature and the Administration appear to have reached an impasse and the level of trust is very low; Assemblyman Plescia (San Diego) has introduced a bill requiring MTC to pay the full cost of the cost overruns.

- It appears that there is a lot of momentum to increase the protections for Proposition 42 funds.
- This year it appears that Housing legislation is going to be very important. Assemblyman Mullin has positioned himself to be an ambassador to both sides on this issue.
- The League and the building community are meeting to try to develop a compromise to encourage the development of more housing.
- The proposed changes to PERS need to be carefully negotiated and there will need to be compromises on all sides in order to make it work. Although it has the potential to have long term financial savings, on the short term there will be added fiscal burden as existing employees retire and there are no new workers contributing to the system.

4. Consideration of positions on bills to protect the use of the sales tax on motor vehicle fuel for transportation purposes.

Staff reported that there are three bills that attempt to make it more difficult to redirect the sales tax on motor vehicle fuel purchases to non-transportation purposes. Proposition 42, adopted overwhelmingly by the voters, is evidence that the public wants these funds to be used to support transportation. Unfortunately Proposition 42 included a loophole whereby the Governor and the Legislature can declare a fiscal emergency and redirect these funds to other programs. The three bills currently pending in the Legislature include:

- ACA 4 (Plescia and Harman) – to revoke the authorization of the Governor and the Legislature to use the sales tax on motor vehicle fuel for General Fund purposes during a fiscal emergency.
- ACA 9 (Bogh) – to change the vote requirement from two-thirds to four-fifths of each house in order to use the sales tax on motor vehicle fuel for General Fund purposes during a fiscal emergency.
- ACA 11 (Oropeza) – to require the payment of interest on the loan of motor vehicle fuel sales tax funds and to restrict the frequency of these loans.

MTC Staff has indicated that they will likely recommend an “oppose” position on ACA 9 because it does not provide enough protection against raids of these funds. They will likely recommend a “support” position on the other two bills. It was noted that of the three bills, only ACA 11 is likely to move forward because the author is a Democrat. Wes Lujan, C/CAG’s Lobbyist, suggested that It was noted that of the three bills, only ACA 11 is likely to move forward because the author is a Democrat. Wes Lujan, C/CAG’s Lobbyist, suggested that the Committee may want to support all three bills until it is determined which one is likely to garner more support in the Legislature. All of the bills provide greater protection than currently exists.

Motion: To recommend that the C/CAG Board take a “support” position on ACA 4, ACA 9, and ACA 11. Hershman/Gordon, unanimous.

5. Consideration of C/CAG Legislative Priorities for 2005 related to the sharing of redevelopment funds among jurisdictions.

C/CAG Staff reported on the results of a survey of the cities to determine the level of interest in sharing redevelopment funds to build affordable housing. The results were mixed, with roughly half of the respondents favoring such an approach and half not being interested. After discussion, the Committee decided that there was insufficient interest in making this a Legislative Priority for 2005. The Committee would however follow legislation that deals with this issue and potentially recommend positions to the C/CAG Board on specific proposals.

6. Establish date and time for next meeting (April 14, 2005).

The next meeting was set for April 14, 2005 at 5:00 p.m. in the Fourth Floor Dining Room at the San Mateo County Transit District Office.

7. Other Items/Comments from Guests.

David Burruto, representing Assembly Speaker Pro Tempore Leland Yee, provided the Committee with a copy of the Highlights of the Legislative Analyst's Office (LAO) Analysis of the 2005-06 Budget Bill. Mr. Burruto also noted that it is unlikely that ACA 4 and 9 will pass out of Committee.

Jessica Stanfill, representing Assemblyman Gene Mullin, reported on three of Mr. Mullin's bills that may be of interest to C/CAG:

- AB 1282 to ensure that San Mateo County jurisdictions receive their appropriate share of the sales tax proceeds from jet fuel sales to United Airlines at San Francisco International Airport.
- AB 939 regarding redevelopment along the CalTrain and BART corridors in San Mateo County.
- AB 1203 to establish Greyfield housing and investment zones.

Mary McMillan, representing the County Manager's Office and the Board of Supervisors, provided information on the Board's adopted Legislative Program and noted that the Board would like to work cooperatively with C/CAG on Legislative matters. Ms. McMillan also reported that at the Federal Level, funding for the Community Development Block Grant (CDBG) Program is seriously in jeopardy. The National Association of Counties (NACo) has made protection of these funds a priority.

Jerry Grace reported that this year's Special Olympics were held in Foster City and he wanted to express appreciation to that jurisdiction for its hospitality.

8. Adjournment.

The meeting was adjourned at 5:53 p.m.